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SUBJECT: GUIDANCE FOR OCTOBER WASSENAAR GENERAL WORKING  
GROUP (GWG)

¶1. (SBU) Following is guidance for the October 14-17 meetings of the Wassenaar Arrangement (WA) General Working Group (GWG). The Security and Intelligence Experts Sub-Group will meet on October 14; the GWG will meet October 15-16. In addition, there will be an Outreach meeting with Belarus on October 17. The U.S. will continue to press for support on several outstanding issues and also use the October GWG to present its Africa regional view paper.

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General Information Exchange  
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¶2. (SBU) The Ad-Hoc Group of Security and Intelligence Experts will present the report of their October 14 meeting during the regular GWG. No papers have been tabled for discussion yet.

¶3. (SBU) Regional Views: The U.S. will present its paper on Africa arms trafficking. Russia is likely to use this section to again raise arms transfers to Georgia. Head of USDEL should use guidance below in responding to Russian papers on arms transfers to Georgia.

Begin Georgia-Specific Guidance:

--The United States supports the efforts of its friends and allies to provide for their own self-defense, including the acquisition of legitimate defense equipment. The U.S. recognizes that defense exports have important foreign policy and national security implications. Accordingly, the U.S. adopted a comprehensive conventional arms transfer policy ? or CAT policy - governing transfers of conventional arms in ¶1995.

--This policy supports transfers that meet the continuing security needs of the United States, its friends, and allies, while at the same time restraining arms transfers that may be destabilizing or threatening to regional peace and security.

--Judging when a transfer will meet that test requires examination of the dynamics of regional power balances and the potential for destabilizing changes in those regions. The criteria laid out in this policy guide case-by-case examinations of potential arms transfers. Primary among these criteria are: consistency with international agreements and arms control initiatives; appropriateness of the transfer in responding to legitimate U.S. and recipient security needs; and consistency with U.S. regional stability interests.

--Work in the Wassenaar Arrangement is central to U.S. efforts to increase transparency of transfers of conventional arms and related technology, to establish effective international controls, and to promote restraint.

--One of the areas the 2007 Assessment examined was how well Wassenaar is meeting its stated goal of preventing destabilizing accumulations of conventional weapons and related dual-use goods and technology. It was agreed that in general Wassenaar is meeting this goal, though there are areas for improvement.

--One such area is increasing transparency in our reporting, particularly on arms transfers. Though there is disagreement within Wassenaar on how best to increase the transparency (whether through arms denial reporting/consultation or through broader arms transfer reporting), there is agreement that more transparency is needed. We look forward to continued, cooperative discussion on this subject.

--Another area under discussion is developing Best Practices on Re-Export Controls. This is a very important proposal. Discussions over the past three years have brought us very close to agreement on a Best Practices document. The U.S. supports continued efforts to come to agreement on the existing proposal.

--With regard to concerns raised on arms transfers to Georgia, the U.S. supports Georgia's territorial integrity and its right to procure arms for its self-defense. Since 2003, the United States has provided modest military assistance to Georgia.

--That assistance has consisted overwhelmingly of non-lethal items such as transportation, communications equipment, uniforms and training, as well as small arms and the accompanying ammunition.

--This assistance facilitated Georgian deployments to Iraq as well as allowing the Georgian armed forces to establish central-government control over the lawless Pankisi Gorge and eliminate the threat to Russia posed by Chechen fighters.

--All U.S. military assistance to Georgia has been notified to the U.S. Congress, and is a matter of public record. All U.S. arms transfers to Georgia, or any other country, are carefully evaluated against the CAT policy.

--The U.S. has not noted any arms transfers to Georgia that it believes to have been excessive to the legitimate defense needs of Georgia.

End Georgia-Specific Guidance

¶4. (SBU) Technologies/Programs of Concern: U.S. participants in Ad Hoc group raised some issues with regard to add-on components for weapons systems in the May GWG. If appropriate, those issues may be raised at this time again.

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Specific Information Exchange  
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¶5. (SBU) Arms Denial Reporting and Consultation; Dual-Use Denial Consultation; and Geographic Scope of Transparency remain on the agenda without consensus. The U.S. still supports adding dual-use denial consultations, and could accept arms denial reporting and consultation as part of a package addition to Wassenaar's procedures. The U.S. continues to have questions regarding the value of intra-Arrangement reporting.

--USDEL should continue to press for dual-use denial consultation and may support efforts to add arms denial reporting and consultation, but will not support without agreement on dual-use denial consultations.

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## Controls, Licensing, Enforcement

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¶6. (SBU) The 2007 Plenary adopted the German proposal for Best Practices on End-Use Control. However, it is limited to dual-use items. The U.S. supports expanding the document to include munitions items and encourages a discussion of end-use controls for munitions items. The U.S. also continues to support adoption of a Best Practice Document on Re-Export Control, but one that does not cover bilateral issues, such as expired licensing agreements. Japan has developed a draft Best Practices for Internal Compliance Programs.

--USDEL should propose a discussion on end-use controls for munitions items.

--USDEL should note its continued support for the adoption of Best Practices on Re-Export Control and carefully review any new language proposed for the existing draft.

--USDEL should support development of Best Practices for Internal Compliance Programs, noting any drafts will have to be reviewed in Washington.

¶7. (SBU) If countries discuss the 2003 Statement of Understanding on Non-Listed Dual-Use Items, the USDEL may note that it is continuing its examination of applying the 2003 SOU by assessing the overall impact of items on our industry.

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## Outreach/Participation

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¶8. (SBU) Cyprus has resubmitted its application for membership. The U.S. has proposed that Wassenaar conduct Outreach on changes to the control lists for countries that have unilaterally decided to adhere to the Wassenaar control lists. The U.S. has proposed a post-Plenary briefing in early 2009 for the United Arab Emirates (UAE). An Outreach meeting with Belarus will be held on October 17.

--USDEL should note its continued support for Cyprus? membership.

--USDEL should discuss its proposal for briefing on changes to the control lists.

--USDEL should support a post-Plenary briefing for the UAE.

--USDEL should participate in the Belarus Outreach.

----USDEL should consider a strategy for further outreach to China, focused on obtaining a report from the PRC regarding their progress in adopting/implementing meaningful export controls, notably in the dual-use area.

--USDEL should request an update from the Secretariat on communication with ECOWAS and should encourage further Secretariat exchanges with ECOWAS.

--USDEL should note that as a number of states have begun to unilaterally adhere to the WA lists, it might be useful for Wassenaar to offer those states an annual briefing on changes to the lists to aid them in their non-proliferation efforts. USDEL may draw on the following points:

--The Experts Group has been very effective in the last several years making a significant number of changes to the Wassenaar control lists.

--Keeping up with these changes can be a challenge for states that choose to follow the Wassenaar Participating States lead, but do not have ready access to any documents that might explain the list changes.

--The U.S. has proposed that Participating States consider holding an annual meeting when list changes might be explained to non-Participating States who unilaterally have chosen to adhere to the lists.

--Such a briefing could best be done by members of the EG.

--For ease to logistics, the U.S. proposes that this briefing could be done in Vienna immediately before the Spring EG to explain changes to the list approved at the previous Plenary meeting in December.

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Administrative Issues  
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¶9. (SBU) The Vienna Points of Contact (VPOC) supported the Friends of the Chair-WAIS (FOC-WAIS) recommendations for WAIS-related actions for 2008, including a technical solution regarding revocation of SL and VSL notifications, the draft IT Strategy for 2009-2011, and the Draft IT 3-Year Rolling Work Plan for 2009-2011, with only minor editorial changes. Consultations regarding the next chairperson of the group are still ongoing.

¶10. (SBU) The VPOC did not reach agreement on a use for the disputed funds and will continue consideration of options. The VPOC will revisit the issue of implementation of the arbitrator's award after receiving further information from the Secretariat at the next VPOC meeting. The VPOC participating states generally strongly supported the Draft 2009 Budget. The VPOC supported the idea and draft terms of reference for a contingency roster of national officers with regard to risk management.

--USDEL should support endorsing a draft Plenary decision to adopt the 2009 Budget as proposed by the Secretariat.

--USDEL should support endorsing a draft Plenary decision to approve a contingency roster of national officers with regard to risk management and support approving the terms of reference as proposed by the Secretariat.

--USDEL should support endorsing a draft Plenary decision approving the technical solution for SL and VSL denial notifications, the updated WAIS Strategy, and the updated 3-year IT Action Plan. USDEL should also support a draft Plenary decision to renew its mandate for the FOC\_WAIS group. USDEL may join consensus on the selection of the next FOC-WAIS chairperson, should recommendations be forthcoming.

--USDEL should note that it encourages the VPOC to reach consensus on disposition of the disputed funds and implementation of the arbitrator's award as soon as possible.  
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